

House Select Committee on Homeowners Associations Meeting

April 14, 2010

12:30 pm

The House Select Committee on Homeowners Associations met on Wednesday April 14, 2010 at 12:30 pm in the Legislative Office Building in room 421 to hold a meeting on issues concerning homeowners associations. The following members were present: Co-chairman Weiss (presiding), Co-chairman McGee, Representatives Howard, Cleveland, Earle, Heagarty and Wray. For visitors in attendance see the attached Visitor Attendance Sheet.

Representative Weiss called the meeting to order and thanked the sergeant-at-arms and staff and took a moment of personal privilege to recognize Susan Doty's retirement and her years of dedicated service as her legislative assistant.

Representative Weiss then introduced Ms. Karen Cochrane-Brown, staff counsel, to explain the proposed interim report that summarized the five previous meetings and made recommendations to use the findings to move forward with the committee after Short Session (see attachment 1).

Representative Weiss opened the floor to questions from the committee members.

Representative Cleveland commented that he thought the Office of the Attorney General should play a bigger role in settling the disputes regarding board accountability rather than advising to hire an attorney. He further stated that if they would intervene and enforce the statutes, most cases could be resolved without having to go to court.

Representative Weiss referred to Finding 2 regarding State Agencies and asked if he was comfortable with the language "state agencies".

Representative Cleveland stated that under State Agencies it should specify the Office of the Attorney General to advise and then notify an offending party if necessary.

Representative Weiss asked if the committee was in agreement, and Representative Heagarty agreed that the Office of the Attorney General should be more involved in handling complaints, making citizens more aware of the law and advising if their complaint is valid.

Representative Earle stated that a state agency needs to enforce the statutes.

Representative Weiss asked Ms. Cochrane-Brown if any other agencies would be suitable to handle these cases. Ms. Cochrane-Brown responded that the Real Estate Commission or the Office of the Secretary of State could also be considered.

Ms. Walston added that those state agencies are assessed billable hours when someone from the Office of the Attorney General represents them.

Representative Weiss suggested including the Office of the Attorney General and other state agencies in the language. Representative McGee agreed.

Representative Earle stated that good work was done but the committee needs to meet after the Short Session to continue forward.

Representative Weiss said that she thought the committee was comfortable with adding changes that Representative Cleveland suggested and asked for further comments from the committee regarding the findings and recommendations.

Representative Heagarty suggested studying the problems associated with absentee owners.

Representative McGee asked Ms. Cochrane-Brown for an example of language to make the changes to finding 2. Ms. Cochrane-Brown responded to add the language: "these suggestions include designating the Attorney General's Office or other appropriate state agencies to enforce the statute."

Representative Weiss responded to Representative Heagarty's previous comment regarding absentee owners that there are tools under the law. Homeowners can use foreclosure to collect unpaid fees and one suggestion from Mr. Lisman at the last meeting is to allow foreclosure when dues are not paid and to limit foreclosure to dues.

Representative Cleveland commented that part of the problem facing the homeowners is that they still believe they have the same property rights as others, but they gave those up outside of their interior walls when they joined a group and the committee should work on how to make sure that communications are clear between the homeowners and the homeowner associations. Also, he said authority should not be taken from either but should be handled equally and to solidify and codify the solutions.

Representative Heagarty pointed out that in Finding 7 regarding clarifying the solar access law, clarification is necessary because of federal and utility company tax credits that are temporary incentives with the federal stimulus.

It was decided by the committee that his suggestion would be better taken up after the short session due to time constraints.

Representative Earle offered a motion to adopt the draft report with the changes made and technical corrections. Representative Howard seconded the motion.

Representative McGee supported the motion due to the complexity of the issues surrounding homeowners associations and suggested a continuation of meetings after the Short Session to finalize what is to be presented at the Long Session.

Representative Weiss called for a vote. The motion carried.

Representative Weiss in closing, invited the audience to approach the Chairs after the meeting if they had information regarding the committee work to share, and further stated that a lot of work would have to be done before the Long Session concerning the laws and the model language that has been recommended to correct some gaps in the law, and to keep in contact with the Chairs and committee members during the Short Session.

Representative Weiss thanked the staff and committee members and adjourned the meeting at 1:03 pm.

Representative Jennifer Weiss,
Cochair

Jayne A. Nelson,
Legislative Assistant